STATE OF MICHIGAN

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

Before the Director of the Department of Insurance and Financial Services

In the matter of:

OMPT Specialists LLC
Petitioner **File No. 21-1627**

v

Meemic Insurance Company
Respondent

Issued and entered
this 14th day of February 2022
by Sarah Wohlford
Special Deputy Director

ORDER

I. PROCEDURAL BACKGROUND

On October 15, 2021, OMPT Specialists LLC (Petitioner) filed with the Department of Insurance and Financial Services (Department) a request for an appeal pursuant to Section 3157a of the Insurance Code of 1956 (Code), 1956 PA 218, MCL 500.3157a. The request for an appeal concerns the determination of Meemic Insurance Company (Respondent) that the Petitioner overutilized or otherwise rendered or ordered inappropriate treatment under Chapter 31 of the Code, MCL 500.3101 to MCL 500.3179.

The Petitioner's appeal is based on the denial of a bill pursuant to R 500.64(3), which allows a provider to appeal to the Department from the denial of a provider's bill. The Respondent issued the Petitioner bill denials on July 19 and 29, 2021 and October 7, 2021. The Petitioner now seeks reimbursement in the full amount it billed for the dates of service at issue.

The Department accepted the request for an appeal on November 30, 2021. Pursuant to R 500.65, the Department notified the Respondent and the injured person of the Petitioner's request for an appeal on December 1, 2021 and provided the Respondent with a copy of the Petitioner's submitted documents. The Respondent filed a reply to the Petitioner's appeal on December 15, 2021. The Department issued a written notice of extension to both parties on January 11, 2022.

The Department assigned an independent review organization (IRO) to analyze issues requiring medical knowledge or expertise relevant to this appeal. The IRO submitted its report and recommendation to the Department on January 3, 2022.

II. FACTUAL BACKGROUND

This appeal concerns the denial of payment for physical therapy treatments rendered on June 20, 2021; July 7, 14, and 28, 2021; and August 4, 2021. The Current Procedural Terminology (CPT) codes at issue include 97110, 97112, and 97164, which are described as therapeutic exercise, neuromuscular re-education, and physical therapy re-evaluation, respectively. In its *Explanation of Benefits* letter, the Respondent stated that the treatment "exceeds the period of care for either utilization or relatedness."

With its appeal request, the Petitioner submitted medical documentation which identified the injured person's diagnoses as cervicalgia and low back pain and noted that the injured person was involved in a motor vehicle accident in February of 2021. The Petitioner's request for an appeal stated:

> [The Respondent] paid on other dates of services for [the injured person.] They denied all five dates of service stating that the [injured person] exceeds the period of care for either utilization or relatedness…When we verified the [injured person's] benefits on 3/17/21 we were told by the [Respondent's] adjuster that the claim was open and billable, primary and not in litigation.

In its reply, the Respondent reaffirmed its position and stated that the physical therapy treatments exceed ACOEM guidelines in relation to the injured person's diagnoses and that the submitted documentation does not support the medical necessity of the treatments at issue.

III. ANALYSIS

Director's Review

Under MCL 500.3157a(5), a provider may appeal an insurer's determination that the provider overutilized or otherwise rendered inappropriate treatment, products, services, or accommodations, or that the cost of the treatment, products, services, or accommodations was inappropriate under Chapter 31 of the Code. This appeal involves a dispute regarding inappropriate treatment and overutilization.

The Director assigned an IRO to review the case file. In its report, the IRO reviewer concluded that, based on the submitted documentation, medical necessity was not supported on the dates of service at issue and the treatment was overutilized in frequency or duration based on medically accepted standards.

The IRO reviewer is a licensed doctor of physical therapy with hands-on experience in providing the services at issue in this appeal. In its report, the IRO reviewer referenced R 500.61(i), which defines "medically accepted standards" as the most appropriate practice guidelines for the treatment provided. These may include generally accepted practice guidelines, evidence-based practice guidelines, or any other practice guidelines developed by the federal government or national or professional medical societies, board, and associations. The IRO reviewer relied on the American Academy of Physical Medicine and Rehabilitation (AAPM&R) clinical practice guidelines for low back pain and the Official Disability Guidelines (ODG) for Auto Injury for neck, upper back, and low back conditions for its recommendation.

The IRO reviewer explained that ODG guidelines recommend 10 sessions over 8 weeks for the treatment of chronic neck and low back pain and that "this is in line with the AAPM&R clinical practice guidelines." The IRO reviewer noted that the Petitioner documented that the injured person had pain complaints related to home activities and yard work. The IRO reviewer further noted that the injured person made progress over the course of therapy with reduced pain levels and improved range of motion and cervical stability. The IRO reviewer stated that the standard of care allows for fading of treatment to a home exercise program. More specifically, the IRO reviewer stated:

> In this case, the injured person has attended 31 sessions of physical therapy which far exceed standard of care. The records fail to establish significant past medical conditions or co-morbidities that would be a complicating factor that would inhibit the injured person from transition to a home exercise program.

Based on the above, the IRO reviewer recommended that the Director uphold the Respondent's determination that the physical therapy treatments provided to the injured person on June 20, 2021; July 7, 14, and 28, 2021; and August 4, 2021 were not medically necessary in accordance with medically accepted standards, as defined by R 500.61(i).

IV. ORDER

The Director upholds the Respondent's determinations dated July 19 and 29, 2021 and October 7, 2021.

This order applies only to the treatment and dates of service discussed herein and may not be relied upon by either party to determine the injured person's eligibility for future treatment or as a basis for action on other treatment or dates of service not addressed in this order.

This is a final decision of an administrative agency. A person aggrieved by this order may seek judicial review in a manner provided under Chapter 6 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.301 to 24.306. MCL 500.244(1); R 500.65(7). A copy of a petition for judicial review should be sent to the Department of Insurance and Financial Services, Office of Research, Rules, and Appeals, Post Office Box 30220, Lansing, MI 48909-7720.

Anita G. Fox
Director
For the Director:

X Sarah Wohlford

Sarah Wohlford
Special Deputy Director
Signed by: Sarah Wohlford